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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, August 29, 2001

JOINT PETITION OF

CASE NO. PUA010029

QWEST COMMUNICATIONS CORPORATION OF VIRGINIA

and

LCI INTERNATIONAL OF VIRGINIA, INC.

For approval of transfer of assets and transfer of control of LCI International of Virginia, Inc.

ORDER GRANTING APPROVAL

On June 1, 2001, Qwest Communications Corporation of Virginia ("QCC/VA") and LCI International of Virginia, Inc. ("LCI/VA"), (collectively, "Petitioners"), filed a joint petition with the Commission under the Utility Transfers Act requesting approval of two transactions that would result in a merger of LCI/VA into QCC/VA. The first transaction involves a transfer of all of the assets held by LCI/VA to QCC/VA. The second transaction involves transfer of control of LCI/VA from LCI International Telecom Corporation ("LCI Telecom") to QCC/VA.

QCC/VA is incorporated in the Commonwealth of Virginia and is an indirect, wholly owned subsidiary of Qwest Services Corporation ("Qwest Services"). Qwest Services is a direct, wholly owned subsidiary of Qwest Communications International, Inc. ("Qwest Communications"). Through its subsidiaries and affiliates, Qwest Communications provides a full range of communications services, including local and interexchange telephone services, Internet access, and video and data services.

LCI/VA is a direct, wholly owned subsidiary of LCI Telecom. LCI Telecom is a wholly owned subsidiary of LCI International, Inc. ("LCI International"). Qwest Services currently holds all stock of LCI International.

QCC/VA currently holds certificates of public convenience and necessity ("CPCN(s)") to provide competitive local exchange telecommunications services and facilities based intrastate interexchange telecommunications services in Virginia and is currently providing interexchange services in Virginia. LCI/VA currently holds a CPCN to provide competitive local exchange services and provides services in Virginia under the "Qwest" brand.

The above-referenced transactions will be undertaken in order to effectuate an internal corporate restructuring. In the first transaction, all assets of LCI/VA will be transferred to QCC/VA. In the second transaction, LCI/VA will merge into QCC/VA, which will emerge as the surviving entity. Thus, control over LCI/VA will be transferred from LCI Telecom to QCC/VA.

There will be no change in the ultimate ownership or control of LCI/VA, as ultimate control will continue to be held by Qwest Communications.

THE COMMISSION, upon consideration of the joint petition and representations of QCC/VA and LCI/VA and having been advised by its Staff, is of the opinion and finds that the transactions as described herein would neither impair nor jeopardize the provision of adequate service to the public at just and reasonable rates and should, therefore, be approved.

Accordingly, IT IS ORDERED THAT:

- 1) Pursuant to §§ 56-88.1 and 56-90 of the Code of Virginia, approval is hereby granted for the above-referenced transfer of all assets.
- 2) Pursuant to §§ 56-88.1 and 56-90 of the Code of Virginia, approval is hereby granted for the transfer of control of LCI/VA from LCI Telecom to QCC/VA.
- 3) QCC/VA shall provide local exchange tariffs to the Commission prior to the national consummation of the merger and shall attest that only the name of the service provider has been changed.
- 4) QCC/VA shall provide prior notification to the Commission of the date of the actual closing of the merger.
- 5) There appearing nothing further to be done in this matter, it hereby is dismissed.